

Forest Policy Report

SFI/2025

Definition of forest policy priorities in Ukraine and the rationale for the need to provide advice to the SFI project

Supplementary report
Soeren Timm

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About the Project "Sustainable Forestry Implementation" (SFI)

The project "Promotion of multifunctional sustainable forest management planning and implementation in Ukraine" (SFI) is a project established within the framework of the Bilateral Cooperation Programme (BCP) of the Federal Ministry of Food and Agriculture of Germany (BMEL) with the Ministry of Environment and Natural Resources of Ukraine (MENR). It is a continuation of activities started in the forest sector within the German-Ukrainian Agriculture Policy Dialogue (APD) forestry component

The Project is implemented based on an agreement between GFA Group, the general authorised executor of BMEL, and the State Forest Resources Agency of Ukraine (SFRA) since October 2021. On behalf of the GFA Group, the executing agencies - Unique land use GmbH and IAK Agrar Consulting GmbH - are in charge of the implementation jointly with the SFRA.

The project aims to support sustainable forest management planning in Ukraine and has a working focus on the results in the Forest Policy and National Forest Inventory

Author

Soeren Timm

Disclaimer

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Contacts

Troitska Str. 22-24,
Irpin, Kyiv region
+38 (067) 964 77 02

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1. Summary off the NSTE report

The Forest Policy Report 'Definition of forest policy priorities in Ukraine and the rationale for the need to provide advice to the SFI project' presents the current challenges and necessary reforms in the field of forestry in Ukraine. It is divided into several main sections dealing with regulatory and social attitudes towards forestry, the existing forest management system, the need for legislative changes, the development of a new Forest Code and of a state programme for Ukraine's forests until 2035.

According to the report, regulatory and social attitudes towards forestry are largely characterised by the Ministry of Environmental Protection and Natural Resources of Ukraine and the State Forest Resources Agency of Ukraine. Control over forestry is inadequate, particularly in communal and private forests, which leads to offences such as illegal logging. The need for a comprehensive state forest inventory is emphasised, as no inventory has been carried out for over 20 years.

The existing forest management system is based on state, communal and private forest ownership, whereby the exact ownership structure can only be estimated due to the lack of inventories. The need for reform is emphasised by the inadequate control and frequent restructuring within the ministries and agencies.

With regard to the legal situation, the report states that the existing strategy, which is based on the Forest Code of 2006, needs to be revised in order to meet current challenges, including the effects of the war and decentralisation. In particular, it is necessary to clearly regulate ownership and strengthen the role of local communities.

The further development of a separate state 'Strategy for Sustainable Development and Institutional Reform of the Forestry and Hunting Sector of Ukraine' is considered necessary in the report in order to define long-term goals and financing for the forestry sector. It also discusses the reform of the

management system in the state enterprise 'Forests of Ukraine' in order to ensure more effective control and organisation.

Finally, the importance of a national forest inventory is emphasised in order to analyse the efficiency of forest management and monitor the conditions of forest areas. The report recommends that these tasks be carried out by various institutions in order to ensure independent monitoring.

2. Normative requirements from the perspective of the EU

Preliminary remarks

The European treaties do not specifically address forests. Therefore, the EU does not have a common forestry policy. Responsibility for forestry lies within the Member States. However, the EU adopted a [new European forest strategy](#) in 2021.

The EU can also take action in areas such as the environment, agriculture and rural development that indirectly affect forestry. For example, it promotes sustainable forest management (SFM) and the protection of forests through programmes such as the European Agricultural Fund for Rural Development (EAFRD). Through its strategies, regulations and funding programmes, the EU provides guidelines and impulses that have an impact on national forest management.

The NSTE report presented contains links to EU initiatives, particularly in chapters 4 (see Table 2), 5, 7 (see Table 3) and 8.

The following points are added to the statements in the NSTE report:

Principles of the EU with regard to forests

With its forest-related policy, the EU is pursuing several principles that are closely linked to the objectives of the [European Green Deal](#):

- Sustainability:

Forests should be managed in such a way that their ecological, economic and social functions are maintained in the long term. This includes the promotion of the bioeconomy and the sustainable utilisation of wood products.

- Climate protection and biodiversity:

Forests play a key role in reducing greenhouse gas emissions and promoting biodiversity.

- Protection and restoration:

The EU is committed to the protection of primary and old-growth forests and the restoration of degraded forests. The aim is to promote climate-resilient and multifunctional forest ecosystems.

Sustainable Forest Management (SFM) in particular plays an important role in EU strategies, as it combines several important objectives:

- Climate protection and carbon sequestration
- Conservation of biodiversity
- Economic development
- Protection from natural disasters
- Responsibility in global supply chains

One result of this central importance are [guidelines on closer-to-nature forest management](#), which are not legally binding for the member states, but nevertheless have an influence on future funding opportunities, for example.

Overall, the implementation of the SFM by the various member states is the EU Commission's benchmark for launching new, EU-wide initiatives relating to forests.

Initiatives and legal regulations that influence forest management in the EU

As mentioned in the preliminary remarks, the EU does not have a harmonised forest policy and responsibility lies within the Member States. Nevertheless, there are important strategies (without legal requirements) and normative regulations that influence forest management:

- [New EU Forest Strategy for 2030:](#)

The EU Forest Strategy focuses on biodiversity, climate protection and sustainable forest management.

- [EU Biodiversity strategy for 2030:](#)

The EU Biodiversity Strategy calls for biodiversity-friendly forestry practices and the restoration of forest ecosystems. It also includes the expansion of protected areas (30% of all land and marine areas in the EU, with 10% under strict protection) and the planting of 3 billion trees.

- Cohesion policy and Common Agricultural Policy (CAP):

The programmes promote sustainable forestry and finance reforestation and forest management projects.

- Monitoring:

The EU is currently working on a [forest monitoring law](#), which requires member states to provide harmonised data on forest health, carbon storage and biodiversity.

- „Fit-for-55“-Package:

The package aims to reduce greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels and to make Europe climate-neutral by 2050. A key regulatory measure from this package is the [revised Regulation on land use, land use change, and forestry \(LULUCF\)](#), which sets standards for the monitoring and reduction of greenhouse gas emissions, including in the forestry sector.

There are also other EU regulatory measures that influence forest management in the member states. Examples include the [revised Renewable Energy Directive](#), the [Council Directive on the marketing of forest reproductive material](#) (currently being revised) and the [Regulation on plant protection](#).

The [Regulation on Deforestation-free Products \(EUDR\)](#) also has a significant impact in terms of bureaucracy and verification requirements.

The EU also provides funding for forestry research, particularly as part of the [Horizon Europe](#) programme.

3. National implementation using the example of Germany and sustainable forest management

Germany and the federal states pursue the objective of sustainable forestry through various legal regulations and strategies:

- [Bundeswaldgesetz \(BWaldG\)](#)

The Federal Forest Act (Bundeswaldgesetz) was first passed in 1975 and focusses on the protection and sustainable use of forests. It promotes forestry and endeavours to strike a balance between the interests of the general public and the interests of forest owners. Sustainable forest management is defined and implemented in particular in § 1 Purpose of the Act and, for example, in § 9 Conservation of the forest and § 11 Management of the forest.

- [Forest laws of the federal states](#)

In addition to the Federal Forest Act, the federal states have their own forest laws, which contain specific regulations for the sustainable management of their forests. Examples for [Bavaria](#) are Art. 1 Purpose of the law, Art. 9 Preservation of the forest, Art. 14 Management of the forest and Art. 15 Reforestation obligation.

- [Forest Strategy 2050](#)

The federal strategy (which is not legally binding for the federal states) aims to ensure the sustainable use of forests in the long term and to take ecological and social aspects into account.

- [Forest environmental monitoring](#)

The federal government, supported by the federal states, carries out regular inventories such as the National Forest Inventory and the Carbon Inventory in order to monitor the condition of forests and develop strategies for sustainable forest management. The legal basis is laid down in [§ 41a of the Federal Forest Act](#), and cooperation between the federal government and the federal states is regulated by an [regulation on forest environmental monitoring](#).

The federal states regularly carry out additional forest environmental monitoring (see e.g. [Bavaria](#)) and at the same time serve international long-term observation networks (see [ICP Forest](#)).

4. Forest Policy Options for Ukraine and potential SFI supporting activities

Due to the principle of subsidiarity, EU forest-related initiatives have not yet resulted in any direct legal regulations on forest management. For future forest legislation in Ukraine, it is therefore very important to include a complete overview of legal regulations with an indirect influence on forests and their management, as well as strategies and guidelines with a direct reference to forests.

At the same time, a focus on the key forest-related requirements of the EU can help to harmonise forest legislation with EU objectives. These ideas are articulated by the EU Commission in the New EU Forest Strategy for 2030 (see page 7) and can be clustered into the following topics as described:

- Biodiversity and Climate Protection
- Sustainable Forest Management (SFM)
- Monitoring and National Forest Inventory

For reasons of efficiency, it seems appropriate to focus on these three complexes in particular for further forest policy work in the Ukraine.

With regard to the last two points, this is already reflected in the activities initiated by the SFI project. The possible future activities, discussed in the meetings of the SFI Project Forest Policy Advisory Group (FPAG) also follow this approach and at the same time take the Ukrainian challenges into consideration. Examples of activities include

- to improve legislation and administration of community forest,
- the analysis and recommendations of German examples of close-to-nature forestry,
- as well as the package of activities in connection with the further development of the National Forest Inventory in the Ukraine.

For the 'Biodiversity and Climate Protection' complex, it is recommended to initiate additional supporting activities, as this is not only a key focus of the New

EU Forest Strategy for 2030, but also of the EU Green Deal and the EU Biodiversity strategy for 2030.